

Mary Jo Morris

44

1 where you would not get your payout if you terminated
2 prior to payout. There are circumstances I think where
3 an employee didn't perform overall at the level that we
4 felt was satisfactory to give them the payout even though
5 they may have technically met the financial criteria. I
6 remember seeing cases where AMIP was paid minimal or not
7 paid, but I can't give you specific names at this point.
8 I see hundreds and hundreds of these. In general, if
9 that happens to a person, they don't stay eligible
10 because -- generally, if they're not performing at a good
11 level, it's an indication that they really shouldn't be
12 in the program to begin with.

13 Q. If you will turn to Morris Exhibit 1, which is
14 the employee total reward guide. If you will turn to the
15 last page of that document. You were asked a number of
16 questions about this document. If you could, could you
17 just read for me the last bullet point in the middle of
18 the page there.

19 A. Under "Eligibility and payout guidelines." "In
20 addition, if an employee participating in AMIP accepts
21 transfer or promotion to a position that does not meet
22 the requirements/criteria for AMIP eligibility, the
23 employee will not be eligible to participate in AMIP."

24 Q. What do you understand that to mean?

Mary Jo Morris

45

1 A. That, if an employee transfers in the year to a
2 position that's not AMIP eligible, they will no longer be
3 eligible to participate.

4 MR. SEEGULL: If you will just give me one
5 quick moment, Tim. I'd like to confer with my colleague
6 and see if I have anything further.

7 MR. WILSON: Okay.

8 (Discussion off the record.)

9 (A recess was taken.)

10 BY MR. WILSON:

11 Q. Ms. Morris, when is the AMIP bonus earned? Is
12 it earned as you go along during the course of the year
13 or is the AMIP bonus only earned at the end of the year
14 when the financial criteria and other criteria are
15 evaluated against performance?

16 A. It's earned at the end of the year when we
17 understand what the financial performance -- the company
18 understands what its financial performance is. It's
19 evaluated at the end of the fiscal year when we know what
20 the numbers are, basically.

21 MR. SEEGULL: I have no further questions.

22 BY MR. WILSON:

23 Q. Just one quick one.

24 As far as the time at which the bonus is

CERTIFICATE OF REPORTER

STATE OF DELAWARE)

)

NEW CASTLE COUNTY)

I, Kimberly A. Hurley, Registered Professional Reporter and Notary Public, do hereby certify that there came before me on the 8th day of May, 2006, the deponent herein, MARY JO MORRIS, who was duly sworn by me and thereafter examined by counsel for the respective parties; that the questions asked of said deponent and the answers given were taken down by me in Stenotype notes and thereafter transcribed by use of computer-aided transcription and computer printer under my direction.

I further certify that the foregoing is a true and correct transcript of the testimony given at said examination of said witness.

I further certify that I am not counsel, attorney, or relative of either party, or otherwise interested in the event of this suit.

Kimberly A. Hurley

Certification No. 126-RPR
(Expires January 31, 2008)

DATED:

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Page 1

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF DELAWARE
3
4 -----
56 BRIAN MILLER; HECTOR CALDERON; : Case No.
7 CHARLES FOLWELL; ROLLAND GREEN; 05-010-JJF
8 DAWN M. HAUCK; KEVIN KEIR; :
9 ASHBY LINCOLN; KAREN MASINO;
10 ROBERT W. PETERSON; SUSAN M. :
11 POKOISKI; DAN P. ROLLINS;
12 and WILLIAM SPERATI; :
1314 Plaintiffs :
1516 vs :
1718 COMPUTER SCIENCES CORPORATION, :
19 a Delaware Corporation :
2021 Defendants :
2223 -----
24 Wednesday, April 26, 2006
25 Mount Laurel, New Jersey
26 -----
2728 Oral Deposition of JAMES STYLES
29 taken pursuant to Notice, at the Law Office of
30 Capehart Scatchard, Laurel Corporate Center, 8000
31 Midlantic Drive, Suite 300, Mount Laurel, New
32 Jersey, commencing at approximately 8:47 a.m., on
33 the above date, before Tracey L. Pinsky, CSR, RPR
34 and Notary Public.
3536 -----
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Page 8

1 A. That is correct.

2 Q. And where do you work now?

3 A. With AstraZeneca, it's a
4 pharmaceutical company.

5 Q. Where are you located, where is your
6 office located?

7 A. Wilmington, Delaware.

8 Q. Right there on 202?

9 A. Uh-huh, yes.

10 Q. What's your title with AstraZeneca?

11 A. Director of leadership and team
12 development.

13 Q. When you did work for CSC, what was
14 your job title, your most recent job title?

15 A. Director of human resources.

16 Q. And how long did you hold that
17 title?

18 A. Started in September of 2002, so
19 that's three-and-a-half years.

20 Q. And what does the director of human
21 resources do?

22 A. It's the representative in the
23 conduit for people-related processes. So
24 processes related to staffing, to communications,

Page 67

1 business that are getting a big bonus so we should
2 kind of ban that, you know, they should get
3 somewhere between zero to thirty, something like
4 that. And what they get between zero and thirty,
5 should depend on how big their job is. For a lack
6 of better term, that's what's being stated here.

7 Q. Okay. On the second page at the
8 e-mail that begins at the bottom.

9 A. Uh-huh.

10 Q. Where it says Gus, although I
11 believe we are exposing ourselves on the SS sixes,
12 do you have any knowledge as to what he's
13 referring to when he says exposing ourselves?

14 A. I can only -- I can only speculate.

15 MR. SEEGULL: I'm going to object.

16 Calls for speculation.

17 MR. WILSON: Okay. That's it.

18 EXAMINATION

19 MR. SEEGULL:

20 Q. I only have a couple brief
21 questions, Mr. Styles.

22 You said at one point that you had
23 said to Gus that all though the company doesn't
24 have to do this, that you thought it was fair for

Page 68

1 the company to pay employees for the six months up
2 between April of 2003 and September 2003.

3 A. That's correct.

4 Q. Why did you think that the company
5 didn't have to do that?

6 A. Why did I think they did not have
7 to?

8 Q. That's correct.

9 A. Okay. It's because in CSC policies
10 it stated that AMIP is something that you can be
11 removed from AMIP at any time, I think it states.
12 And, again, I'm speculating. I forget the exact
13 language of it. But, essentially, saying it's
14 CSC's discretion whether you should be in there or
15 not and whether we should pay that or not.

16 Q. And then payouts are not made until
17 the end of year, anyway, when it's earned, when
18 the financial targets are measured against the
19 goals, I mean, achievements?

20 A. Can I have that again, Larry?

21 Q. Yes. And that the reason that it
22 works that way is that the payout is made after
23 the close of the fiscal year when earnings are
24 measured against -- or earnings per share are

JAMES STYLES

Page 69

1 measured against targets?

2 A. I don't know why that states it,
3 Larry, because you could -- you cannot make your
4 targets and still get a percentage, that's what
5 one of these charts are for, you know.

6 Q. And -- and -- and you get percentage
7 of the AMIP is what you are saying?

8 A. Right.

9 Q. But all -- all of that analysis as
10 to whether or not the AMIP is earned is done after
11 the close of the fiscal year?

12 A. That is correct. Well, no, not --
13 not whether you earned AMIP or not, it's
14 whether -- it's what percentage of your AMIP you
15 earned.

16 Q. How much of the AMIP has been
17 earned --

18 A. Correct.

19 Q. -- is done at the close of the
20 fiscal year?

21 A. That is correct.

22 Q. Now, you were at the company until
23 March 17th of 2006, approximately?

24 A. Yeah, it's -- it's about -- yeah, it

JAMES STYLES

Page 70

1 was St. Patrick's Day.

2 Q. Okay. And were you eligible for
3 AMIP during the entire fiscal year 2006 up until
4 the time you left?

5 A. I was in the AMIP program, yes.

6 Q. Up until the time you left?

7 A. That is correct.

8 Q. And if you had remained through the
9 end of the fiscal year 2006, and the company had
10 achieved its objectives, and according to the
11 targets, you would have received an AMIP, correct?

12 A. That is correct.

13 Q. Did you receive an AMIP?

14 A. I did not.

15 Q. And why not?

16 A. I was not an employee by the time
17 they paid this out. So when they pay this out in
18 probably June, as they did last year, I'm not
19 employed, so I don't get it.

20 Q. Okay. And is that typical that
21 that's the way the company operates the AMIP
22 program?

23 A. If I'm no longer an employee, that
24 is correct.

JAMES STYLES

Page 72

1 I, Tracey L. Pinsky, Registered
2 Professional Reporter, certify that the foregoing
3 is a true and accurate transcript of the
4 deposition of JAMES STYLES, who was first sworn by
5 me at the time, place and on the date herein
6 before set forth.

7 I further certify that I am neither
8 attorney nor counsel for, not related to or
9 employed by, any of the parties to the action in
10 which this deposition was taken; further, that I
11 am not a relative or employee of any attorney or
12 counsel employed in this case, nor am I
13 financially interested in this action.

14

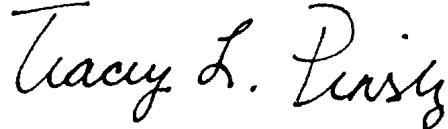
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Tracey L. Pinsky,



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22 Registered Professional Reporter

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24



CHEMICAL GROUP

NORTH AMERICAN COMPENSATION PROGRAMS

EMPLOYEE TOTAL REWARDS GUIDE

April 1, 2002 – March 31, 2003

THIS DOCUMENT IS INTENDED FOR USE BY CSC EMPLOYEE'S ONLY
(DuPONT, AVECIA ACCOUNT, and JPMorgan Financial Application Services)

Please do not disseminate this document outside of CSC.

THIS DOCUMENT WILL BE REVISED AND PUBLISHED ANNUALLY

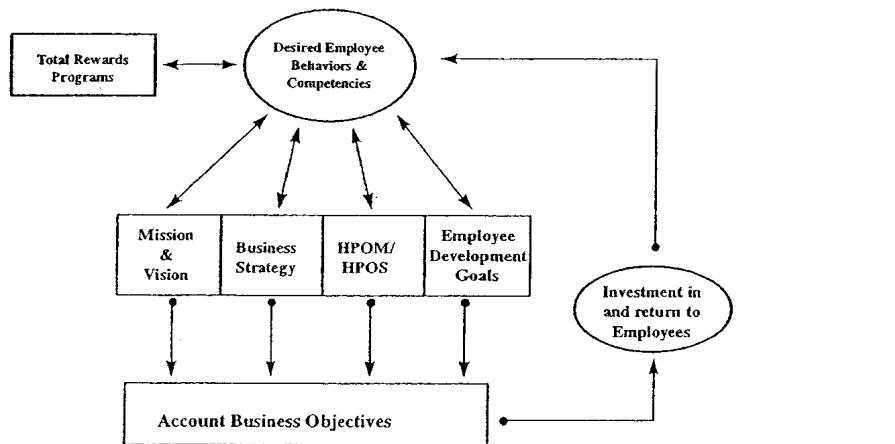
TABLE OF CONTENTS

TABLE OF CONTENTS	2
1. Total Rewards.....	3
A. TOTAL REWARDS STRATEGY	3
B. TOTAL COMPENSATION PHILOSOPHY	3
C. COMPONENTS OF TOTAL REWARDS.....	4
D. EVOLUTIONARY PROCESS	4
E. FY2003 KEY INITIATIVES.....	4
2. PURPOSE OF THE EMPLOYEE'S GUIDE	5
3. BASE SALARY.....	5
A. JOB TITLES AND JOB FAMILIES.....	5
B. CHEMICAL GROUP FY2003 SALARY RANGES.....	7
C. MAKING BASE SALARY DECISIONS.....	8
4. CHEMICAL GROUP VARIABLE COMPENSATION PROGRAMS	8
ELIGIBILITY FOR <u>ALL</u> INCENTIVE COMPENSATION PROGRAMS.....	8
FY2003 PAYOUT POTENTIAL FOR ELIGIBLE EMPLOYEES.....	9
<i>Program Name.....</i>	9
A. FY2003 NORTH AMERICAN INCENTIVE COMPENSATION PROGRAM	9
<i>EXAMPLE PAYOUT.....</i>	10
<i>RATIONALE FOR TARGETED OBJECTIVES.....</i>	10
B. ANNUAL MANAGEMENT INCENTIVE PLAN (AMIP)	11
<i>Background of CSC AMIP</i>	11
<i>Participant Eligibility Guidelines</i>	111
5. RECOGNITION.....	12
BACKGROUND	12
OVERVIEW OF THE ALL STAR RECOGNITION PROGRAM.....	12
PURPOSE.....	12
PRINCIPLES	13
WHAT SHOULD BE RECOGNIZED?	13
KEY ITEMS TO THINK ABOUT WHEN MAKING A NOMINATION:	14
HOW WOULD YOU LIKE TO CELEBRATE THE RECOGNITION?.....	14
AWARD CATEGORIES	15

1. Total Rewards

A. Total Rewards Strategy

The Chemical Group's Total Rewards Strategy is to associate all cash and non-cash rewards with the achievement of Business Objectives and individual career goals. The strategy is accomplished by creating programs that reinforce the desired employee behaviors and competencies, which support our Mission and Vision, Business Strategies, and High Performance Operating Model. The strategy is depicted in the diagram below:



The TOTAL REWARDS program is a package of reward tools designed with a focus on shifting everyone's orientation around cash compensation from one of entitlement to delivering results. In principle, the program will:

- Tie employee total compensation to business objectives by motivating employees to measurably impact short-term and long-term business results.
- Achieve business results through desired behaviors and competencies.
- Promote and require effective team and individual behavior deemed necessary for future success of the account.
- Provide employees with the opportunity to take part in increasing their own employment value.
- Maintain market competitiveness while balancing total compensation between base salary and variable compensation.
- Attract, develop and retain the skills necessary to meet and/or exceed business objectives.
- Shift the organization to a results-oriented and performance-based pay system.

B. FY03 TOTAL COMPENSATION PHILOSOPHY

Our global total compensation philosophy is to pay above the market average and link employee pay to individual, team and account performance for the purpose of attracting and retaining the resources necessary to meet or exceed business objectives. We will balance the elements of our total compensation program by targeting our base salaries at market average and by supplementing base salaries with a variable compensation program that supports our business objectives and is responsive to the market.

C. COMPONENTS OF TOTAL REWARDS

TOTAL REWARDS incorporates all forms of compensation, including but not limited to:

- Base Pay
- Variable and Incentive Compensation
- Recognition Program
- CSC Benefit Plans
- Benefits embedded in CSC policies (Education Assistance, PC Loan, etc.)
- Non-cash awards in the form of personal and professional development, etc.

Our charter is to offer a cadre of reward programs targeted to meet specific business objectives while ensuring that each employee receives fair and equitable treatment for the value he or she adds to the Chemical Group.

Accordingly, it becomes the responsibility of you the employee to consider and understand the value of your relationship with this Company in total, not simply in terms of your direct pay.

D. Evolutionary Process

Although implemented, the design of these programs and processes will remain evergreen. The CG Human Resources organization will continually evaluate our pay practices to ensure industry and market competitiveness. This evolutionary process will allow us to continually monitor our internal needs, business objectives and market changes so that we achieve our overall compensation philosophy. Additionally, we will be able to constantly refine and improve employee support processes, such as pay practices, to ensure a continued focus on rewarding people for meeting and/or exceeding business objectives, delivering results, and demonstrating behaviors that advances excellent people treatment.

In FY99, the introduction of the DuPont Account Incentive Compensation Program marked the beginning of this evolution. Our first step defined a process that included employees in an incentive compensation program, shifted our focus from individual to team based incentives/rewards, and began to change our compensation "mix" from being fixed (base pay) to one that combines fixed and variable (incentive) rewards.

E. FY2003 Key Initiatives

Several key initiatives took place in preparation to launch FY2003 incentive programs:

- **Anchored base salaries to the Market** : After a thorough review of the market, we established our position vis-à-vis that market.
- **Salary Improvement Fund (SIF)** : Engaged in a thorough analysis of current business conditions and projections for the current fiscal year. With full understanding of our competitive position in the labor market and results of the business analysis.
- **Incentive Compensation Program** : The incentive compensation program has been upgraded and re-designed for FY03, but it will continue to allow for all eligible employees on the CG payroll and CG employees joining GIS prior to April 5, 1999 to participate in an incentive program. This document will provide more insight into this plan and how it links to FY2003 business objectives.
- **Premium Skills Pay Program** – Moved our PSPP program to an "inactive" status as a result of and thorough review of the market. It has been determined that at this time, market premiums are not demanding the price they once had for hot technologies. Our PSPP program will remain "inactive" until future market analyses determines that Chemical Group's business needs and market change dictates a re-activation of "Hot Skills".
- **Recognition Program** – This employee recognition program allows employees to recognize their peers for outstanding contributions and behaviors that support Chemical Group strategies, objectives and the operating model. It will also reflect Cultural Disciplines. This year, an employee action team has been working to enhance the programs' non-cash awards.
- **Eligibility** - Chemical Group employees are eligible to participate in only ONE incentive compensation program at a time:

- Employees cannot simultaneously participate in AMIP the Chemical Group North American Incentive Compensation Program

2. PURPOSE OF THE EMPLOYEE'S GUIDE

The purpose of this document is to provide CG employees with a description of all Chemical Group Cash and Non-Cash Compensation programs including:

- Base Salary
- Chemical Group North American Incentive Compensation Program
- Annual Management Incentive Program
- Recognition Program

As you discuss these programs with your manager, it will serve as a reference tool to help you:

- Understand the purpose of our Cash and Non-Cash Compensation Programs and why they are part of our Total Rewards offering.
- Fully understand the concept of our Cash and Non-Cash Compensation Programs from a business and employee perspective

This document will be revised and published periodically so that you are up-to-date on revisions made to our pay practices.

If you have questions or concerns about these programs, please see your manager.

3. BASE SALARY

The Base Salary program at Chemical Group includes the flexibility to accommodate the varied needs of the business. It allows employees to achieve base pay increases based on individual contribution and performance. The program contains salary grades with wide bands that accommodate different technologies and skills found within each job classification and job family.

A. Job Titles and Job Families

Every hourly and salaried position is classified into a job title, job family, and salary grade. There are 2 job families for HOURLY employees. They are the Technician Family and the Administrative and Clerical Family.

There are 4 job families for SALARIED employees. They are the Management, Technical, Engineering, and Professional families.

The purpose of this structure is to ensure that every job is classified appropriately to determine the relative worth of the job to the organization. Further, the structure serves to develop a rational approach to pay and ensure our competitive position in the market.

Job Titles and Families (cont'd.)

Grade	Job Family	Titles
N01	Administrative & Clerical	Data Entry Operator I
		Department Assistant I
		Facilities Assistant I
N01	Technicians	Technical Assistant I
N02	Administrative & Clerical	Accounting Assistant I
		Data Entry Operator II
		Department Assistant II
N02	Technicians	Computer Operator I
	Administrative & Clerical	Technical Assistant II
N03		Accounting Assistant II
		Department Assistant III
		Facilities Assistant II
N04	Administrative & Clerical	Administrative Assistant I
N04	Technicians	Computer Operator II
		Technician I
N05	Administrative & Clerical	Accounting Specialist I
		Administrative Assistant II
		Facilities Specialist I
N05	Technicians	Computer Operator III
N06	Administrative & Clerical	Accounting Specialist II
		Administrative Assistant III
N06	Technicians	Computer Operator IV
		Technician II
N07	Administrative & Clerical	Accounting Specialist III
		Administrative Assistant IV
		Computer Operator V
N07	Technicians	Technician III
N08	Administrative & Clerical	Executive Assistant I
		Facilities Specialist II
N08	Technicians	Computer Operator Specialist
		Computer Operator V
		Technician IV
N09	Administrative & Clerical	Executive Assistant II
N09	Technicians	Computer Specialist
N10	Administrative & Clerical	No titles at this time
N11	Technicians	Technician V

There are 4 job families for SALARIED employees. They are the Management, Technical, Engineering, and Professional families. Within each job family, there are a variety of job classifications, each at a different salary grade level as follows:

Grade	Job Family	Titles
S01	Technical	Assoc Mem Tech Staff (AMPS)
	Professional	Assoc Member Prof Staff (AMTS)
S02	Technical	Memb Tech Staff B (MTSB)
	Engineering	Engineer Assoc
	Professional	Memb Prof Staff (MPS)
S03	Technical	Memb Tech Staff A (MTSA)
	Engineering	Engineer
	Professional	Memb Prof Staff Senior (SMPS)
	Management	Supervisor
S04	Technical	Sr Memb Tech Staff (SMTS)
	Engineering	Engineer Sr
	Management	Sr Supervisor
S05	Technical	Computer Scientist
	Engineering	Engineer Principle
	Professional	Memb Advisory Staff (MAS)
	Management	Manager
S06	Technical	Computer Scientist Sr
	Engineering	Engineer Sr Principle
	Professional	Sr Memb Assoc Staff (SMAS)
	Management	Sr Manager
S07	Technical	Computer Scientist Principle
	Engineering	Engineer Sr Cons
	Professional	Sr Member Executive Staff (SMES)
	Management	Director
S08	Management	Vice President
S09	Management	President

B. Chemical Group FY2003 Salary Ranges

Every year, the Human Resources team conducts a market analysis to ensure our position in the market relative to average base salaries. Once the analysis is concluded, we compare our findings to current salary ranges, specifically, our midpoints. If our midpoints are below market averages, we adjust the midpoints and the minimums and maximums of the ranges.

Chemical Group does not publish salary ranges to Non-Management employees. Salary ranges include highly confidential information that is competitive in nature. However, you are permitted to ask your Manager for your specific salary range as well as the next highest range relative to your grade level. Your manager is able to provide you with your grade range minimum, midpoint and maximum.

C. Making Base Salary Decisions

Within the employment cycle, there are specific times when a manager will make pay decisions. Those times include time of hire, annual merit cycle, promotion, transfer, reclassification, and adjustments in salary for reasons other than those already mentioned (i.e., Off-cycle adjustments).

The Human Resources team and managers have the responsibility to ensure all employee salaries are commensurate with the competencies and skills they bring to the business. Components considered at the time of pay decisions include:

- Internal equity: salaries of peers performing in the same position with like skills, knowledge, abilities, experiences and education
- Market equity: comparison to market averages
- Compa-Ratio: employee salary versus salary grade midpoint
- Current salary range penetration
- Employment metrics: Human Resources monitors terminations to ensure minimal turnover resulting from inappropriate salaries
- Matrix guideline (during annual salary review only)
- Current business conditions
- Budget

4. CHEMICAL GROUP VARIABLE COMPENSATION PROGRAMS

Variable compensation was introduced to the Chemical Group in FY99 with the deployment of the Incentive Compensation Program (ICP). The first step defined a process that included all employees in an incentive compensation program, shifted focus from individual to team based incentives/rewards, and began to change our compensation "mix" from being fixed (base pay) to one that combines fixed and variable (incentive) rewards.

The programs that will be discussed in this section of this document include:

- A. The New and Improved Chemical Group North American Incentive Compensation Program (CGNAICP)
- B. Annual Management Incentive Program (AMIP)

These Programs play a major role in the Chemical Group Total Rewards Strategy.

Eligibility for All Incentive Compensation Programs

The following describes the general eligibility requirements for all incentive/variable pay programs. If applicable, more specific eligibility requirements for specific programs will be included within the description for that program.

- Regular Full Time and Regular Part Time employees must join the Chemical Group payroll for program eligibility.
- Employees must work in a Chemical Group Line of Service that offers this program.
- Employees joining the Chemical Group as part of Global Infrastructure Systems (GIS) prior to April 5, 1999 are eligible for participation for FY2003.
- Employees must be performing at a category 1, 2, or 3 level of performance
- Chemical Group employees are eligible to participate in only **ONE** incentive compensation program at a time:
 - Employees cannot simultaneously participate in the AMIP and the Chemical Group NAICP

PAYOUT:

- Employees must support DuPont, Avecia or JPM accounts in the Chemical Group business unit
- Chemical Group employees who transition to any business unit within CSC will receive a pro-rated payout from the Chemical Group at time of award payment based on the time period of contribution to Chemical Group business objectives.
- Employees must be on CSC payroll, active status, at the time of payout.
- REGULAR PART TIME EMPLOYEES or REGULAR FULL TIME EMPLOYEES** who work less than 40 hours per week: **Payout will be pro-rated based on the number of hours worked per week.**
- Exceptions:** In the event of termination due to
 - death
 - retirement due to lack of work
 - layoff due to lack of work
 - disability

the employee will receive the pro-rated portion of payout at the time of award payment, based on months of participation.

- Employees terminated for cause will not receive payout.
- Participation eligibility in all programs is reviewed each year and there is no guarantee of continued participation from one year to the next
- All incentive/variable compensation programs are reviewed annually and may be modified or discontinued based on the Chemical Group's financial capability and business requirements.
- Employees who are on a paid or unpaid leave of absence greater than 30 consecutive days during the course of a fiscal year, will receive a pro-rated payout upon returning to work.**

FY2003 Payout Potential for Eligible Employees

Program Name	FY2003 Payout Potential
Chemical Group North American Incentive Compensation Program	5%, 7% or 9% of base salary depending upon grade level
Employees participating in FY2002 AMIP	Individual AMIP Maximum Potential

A. FY2003 Chemical Group North American Incentive Compensation Program

Salary Grade	Target Potential	Financial	Weighted %	
			Client Satisfaction	Performance
N01-N09	5%	30%	35%	35%
S01-S03	7%	40%	30%	30%
S04-S06	9%	50%	25%	25%

This year, the performance aspect of this program includes an upside potential for outstanding contribution:

Category 1 150%
 Category 2 125%
 Category 3 100%

See example below

Bonus Structure

The bonus structure consists of a breakout by grade levels for eligibility, targeted objectives for group financials and targeted objectives for individuals.

Example Payout**Assumptions for example:**

- Employee is an S03 grade level with a base salary of \$60,000 per year.
- Target bonus potential is equal to 7% of base salary or \$4,200.00
- Performance rating is equal to "2"
- Account made all financial objectives and CPAR objectives for the fiscal year.

Example:

- $\$60,000 \text{ (base salary)} \times .07\% \text{ (eligibility)} = \$4,200.00 \text{ (target bonus)}$
- $\$4200.00 \times 40\% \text{ (financial weighting)} = \$1,680.00$
- $\$4200.00 \times 60\% \text{ (non-financial weighting)} = \$2,520.00$
 - 30% Client Satisfaction = \$1,260.00
 - 30% Individual Performance = \$1,260.00
- 30% Performance aspect multiplied by upside potential of 125% for "2" PAR = \$1,575.00
- Total Bonus now equals \$4,515.00
- Prior year maximum payout opportunity was \$2,400.00

Employee has earned an additional \$2,315.00 in bonus dollars for FY03!

Employees contribute toward the satisfaction of these targeted objectives by establishing and meeting their individual objectives.

First, it is imperative that each employee understands how his/her individual objectives contribute toward the satisfaction of his/her team's objectives. It is the responsibility of both the employee and the manager to have a discussion so both parties are aligned around objectives.

Second, the employee needs to understand how the team's objectives contribute toward the satisfaction of his/her functional organization's objectives. It is the responsibility of the team and the appropriate management to have a discussion so both parties are aligned around objectives.

This cascading approach ensures that each individual's objectives support and contribute toward the satisfaction of overall Group, Account, and Functional objectives.

RATIONALE FOR TARGETED OBJECTIVES

Chemical Group Human Resources and Management have specifically identified the four targeted objectives above for the following reasons:

1. Chemical Group success with current and future business is directly impacted by the satisfaction of our clients. Therefore, it is critical to have all employees engaged around Account client satisfaction metrics and measurements. We do so by heavily weighting a percentage of your non-financial payout to client satisfaction.
2. The Group has made financial commitments to CSC Corporate, who then makes financial commitments to investors. Therefore, we have tied a large portion of your payout to Group Operating Income and to the Group Revenue commitment. These commitments must be met ensuring that operating cost is maintained or reduced. If the Group succeeds financially, we all succeed.

Employees will be kept up to date and informed of Chemical Group's progress throughout the fiscal year via periodic report cards and email communications stating our progress to date in relation to business objectives and financials.

B. Annual Management Incentive Plan (AMIP)

BACKGROUND OF CSC AMIP

The CSC Annual Management Incentive Plan (AMIP) is based on CSC's fiscal year.

PARTICIPANT ELIGIBILITY GUIDELINES

Eligibility and payout guidelines for all other compensation programs apply. (See Page 8)

In addition, the following apply for AMIP:

- Employees are made eligible to participate in AMIP based on anticipated superior contributions to the successful achievement of business objectives.
- Participation is based on the employee's job scope and impact of decisions to the success of the business.
- **Participation in AMIP is held to the management job family and salary grade S05 and above.** Maximum potential percent may increase commensurate with management salary grade level.
- Participation in AMIP is reviewed each year, and there is no guarantee of continued participation in the AMIP program.
- If an employee participating in AMIP accepts transfer or promotion to a position that does not meet the requirements/criteria for AMIP eligibility, the employee will not be eligible to participate in AMIP.

If you are eligible to participate in AMIP, your manager will supply you with a description of the program criteria and payout methodology. More important is that you gain full understanding of the objectives by which you will be measured. If you do not have or know these objectives, please ask your manager immediately.

Participants are placed in AMIP and are eligible for a bonus award payment at a specified maximum potential percent of current base salary. The potential percent is comprised of two categories of performance: financial objectives and non-financial objectives that are jointly determined by the participant and cognizant manager.

Bonus awards are calculated following the close of the CSC fiscal year, and payments are generally made to participants at the end of May. Bonus award payments are cash payments and are not CSC MAP and Pension pensionable earnings. The payments are considered pensionable earnings under the DuPont and Conoco pension plans.

RECOGNITION

Background

The CSC Chemical Group All-Star Recognition Process was launched in March 1998. The purpose, principles and other components are discussed below.

In May 2000, CSC Corporate Offices published a change to the Corporate HR policy, HRMP 216, "Recognition Awards". Simply, it states that CSC employees receiving a bonus as part of their cash compensation package are not eligible to receive any other cash awards. Many employees of the Chemical Group's DuPont Account are eligible for and participate in the DuPont Account Incentive Compensation program. As such, the revised policy states that those employees can no longer receive cash recognition awards. In addition, those employees who are AMIP eligible are not eligible for cash recognition awards.

Please continue to recognize your employees with awards that are non-cash (payroll checks are not available). Be creative. Gift certificates (i.e., restaurant and store specific) that are not convertible to cash (i.e., AMEX gift cheques) and gifts may be purchased and given to employees. Company store items, team lunches, and team events should also be considered as an award for recognition. Reimbursement is handled through XMS. It is suggested that the nominator of the award process the gift purchasing and related expense reimbursement – rather than the recognition coach.

More information on the CG Recognition Program, principles, nomination form, purchasing and expense reimbursement will be available through a revised and renamed CG Star Recognition Program via Lotus Notes in May 2002.

Overview of the CG Star Recognition Program

Recognition is the sincere acknowledgement, approval and expression of genuine appreciation for contributions and behaviors that support our business strategies and reflect our Cultural Disciplines. The purpose of the Recognition Program is to encourage contributing behaviors, which are innovative, creative, and effective and that continually improve the quality of CSC's Chemical Group products and services. Recognition can be a result of a conscious thought and effort, or can be completely unplanned and spontaneous. Recognition may be as simple as saying "Thank you" to your employees or fellow workers. Recognition may or may not include an award. Our emphasis is to focus on the recognition of the individual and initiate and award if appropriate. This is our recognition program, not a reward program, nor a performance program. We encourage you to utilize all other components of our total compensation strategy to compensate for performance.

Purpose

The purpose of our Recognition Program is to:

- ◆ Encourage repeatable positive behaviors or accomplishments. This builds ownership, develops high performance and increases business results.
- ◆ Increase alignment of individual and business objectives by appreciating outstanding behavior and contributions. Employees who perceive that their efforts and contributions are fairly recognized perform better and remain with an organization longer.
- ◆ Accelerate positive cultural change within the organization by providing recognition that is consistent with our Cultural Disciplines. This, in turn, encourages individual and collective strengths, synergy and alignment improvement between individuals and business objectives.
- ◆ Obtain a return on investment from positive contributions and behaviors to our clients, stockholders, community, and employees, which contributes to the mission of the CSC Chemical Group.
- ◆ Provide metrics of the Recognition Program on what does and does not work by identifying areas needing improvements. The results allow us to build onto the strength of the Recognition Program; that is to build onto what we know we do well.
- ◆ Ensure that process owners manage the Recognition Program in a fair and consistent way that is aligned with our Recognition Principles

In A Way That

- ◆ Encourages behaviors and accomplishments desired by a high performance organization
- ◆ Supports the Mission, Strategies, and Cultural Disciplines
- ◆ Ensures equity in recognition
- ◆ Supports Retention Management Activity

Principles

In order to be successful, our recognition process must rest on a set of principles that the collective organization holds to be true. Living by our principles enables us to use recognition to guide us as we move towards becoming the kind of organization we envision. The following are principles that will provide the foundation of our Recognition Program:

Sincere and Visible Leadership Support

- ◆ Leadership supports the integration of recognition within the business community.
- ◆ Leadership sincerely and visibly enables and participates in the Recognition Program.

Consistency and Fairness

- ◆ The Recognition Team, along with others, will periodically review our program to ensure fair, consistent application of the process. Metrics will be maintained to monitor consistency of and participation in recognition activities.

Appropriate Forms of Recognition

- ◆ Behaviors and contributions will be recognized in ways that reflect the kind and degree of contribution.
- ◆ Recognition will be delivered in a manner that is valued by the recipient.
- ◆ Recognition will encompass informal appreciation as well as formal programs.
- ◆ Recognition will be primarily non-cash (HRMP216) in nature.

Global

- ◆ The Recognition Program will be flexible to accommodate local and regional variations.

Valuing People

- ◆ Recognition will promote positive, professional self-esteem through the valuing of both team and individual contributions.

Timeliness

- ◆ Recognition should be immediate. Contributions will be acknowledged promptly.

Simplicity

- ◆ The Recognition Program will be easy to use.

Feedback

- ◆ The best vehicle for measuring success is to go directly to the source. We will conduct regular employee surveys to measure the impact that the recognition program is having on each employee. Additionally, we'll solicit the same feedback from managers who are recognizing their staff.

What Should Be Recognized?

- ◆ Safe practices.
- ◆ Continuous improvement of processes in support of CSC Strategies.
- ◆ Demonstration of our Cultural Disciplines.
- ◆ Contributions and positive actions by anyone and everyone.
- ◆ Responsible risk-taking. Successful risks are rewarding, yet unsuccessful risks can produce useful wisdom.
- ◆ Working as a committed team member, taking into consideration trust, understanding, respect and teambuilding.
- ◆ Honesty, individual diversity, support, caring, being responsible.
- ◆ Creativity and flexibility.
- ◆ Someone taking the initiative to capitalize on opportunities for the greatest contribution to meet the needs of our customers and businesses.
- ◆ Technical Excellence
- ◆ Customer Care
- ◆ Process Improvement
- ◆ Personal Gratitude

Key items to think about when making a nomination:

- ◆ What are you recognizing?
- ◆ Consistency with Cultural Disciplines and Business Strategies.
- ◆ Type and timing of recognition.
- ◆ Who should present the award?

How would you like to celebrate the recognition?

- ◆ Publicly, with your co-workers?
- ◆ Privately, between you and the recipient?

Recognition should be demonstrated in a way that is sincere and accurate. Make time for a celebration -- the way you give recognition means a lot to the recipient(s).

Recognition Categories

The revised recognition program will eliminate the Stardust, Twinkle and various award types. In its place, we will introduce recognition categories - Administrative support, Customer Care, Leadership Excellence, Personal Gratitude, Process Improvement, Public Service, and Technical Excellence. The award certificates will highlight the recognition category rather than the "level" of the award.

Award Type

The award type will identify the kind of recognition award to be given to the nominee. The nominator will request an award type on the nomination request form. The award types include:

- Recognition certificate. This award type can be done frequently. It presents an opportunity to recognize a team or individual for a specific effort worthy of recognition without a cost to the recognizing organization.
- A selection from the CSC company store.
- A gift or gift certificate.

The recognition database will provide more information on each award type.

Award Value

The award values will represent the dollar value of the award given to the nominee. An approving manager will authorize the award value. The recognition review board will not be involved in setting or reviewing award values and as such will not be part of the new recognition program. The individual business teams will review recognition's and related values as part of their staff meetings.

Recognition Information & Justification

Each recognition request will provide information on the recognition and justification through the LN database form. The form will be easy and simple to use. This area in the nomination request form will provide a space for free form text to document the reason for recognition and award justification. This area will also be helpful when providing metrics to business units and management.

Recognition Renewal Team

Please direct any questions to a member of the team:

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